

Child Care & Development Block Grant in Florida

The Child Care & Development Block Grant (CCDBG) is the primary federal grant program that allows states to provide child care assistance to lowincome working families with children under age 13. The majority of these funds serve children 6 years or younger, with the remainder supporting care for older children during out-of-school time.

Subsidies help remove barriers to affordable, highquality child care, whether in center- or homebased settings. They give working parents the ability to access quality care and choose the type of care that works best for them. The majority of funds go directly to providing early learning experiences, but states can also use the funding to:

- Recruit and retain a well-qualified, fairly compensated, and effective workforce
- Support continuous quality improvement
- Meet the child care needs of families working nontraditional hours

How CCDBG Funds Flow

Using an established federal formula, states, territories, and tribal entities receive grant awards from the Department of Health and Human Services, Administration for Children and Families (ACF).

-> **Parents**

Families can use vouchers to help cover the cost of care if a provider/program agrees to accept them.

In Florida.

35%

→ Providers

Grants and contracts represent agreements between the subsidy program and child care providers to designate slots for subsidy-eligible children.



are not served due to insufficient federal funding.13

CCDBG by the Numbers in Florida

1,350,837	Children Under 61
65%	Population Under 6 with All Parents in the Workforce ²
78,552	Children Ages 0-6 Served by CCDBG and Mandatory Funds ³
6,965	Providers Accepting CCDBG Subsidies ⁴
72%	Children Currently Served by CCDBG Who Are Under the Age of 6 ⁵
\$495,679,975	CCDBG and Mandatory Funds ⁶
\$44,712,601	CCDBG State Match ⁷
\$3,332,053,160	CCDBG COVID-Relief Allocations: CARES ⁸ CRRSA ⁹ ARPA (CCDF + Stabilization) ¹⁰

\$82,996,517 TANF Transferred to CCDBG¹¹

Income Eligibility

Given CCDBG is a federal block grant, state Lead Agencies have the flexibility to design their own subsidy programs in compliance with established eligibility and quality requirements and may choose to set their own additional requirements.

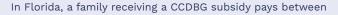
The Lead Agency in Florida is the Florida Department of Education/Division of Early Learning.

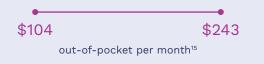
Families that meet income eligibility and work/job training/ education requirements can apply to the Lead Agency for a subsidy. Many families are required to pay a copay, but states may waive those requirements. Families who receive a subsidy may choose any participating child care provider, including centerbased care (including faith-based programs), home-based care, and in-home care.

In Florida, eligibility is capped at 72% of State Median Income (SMI). This means that a family of 3 is eligible for a subsidy if they make: \$3,463 or less per month (\$41,556 per year).¹⁴

Receiving subsidies results in much lower out-of-pocket costs for families.

Families that don't receive subsidies pay significantly higher costs.





For instance, center-based infant care ranges in price from:16



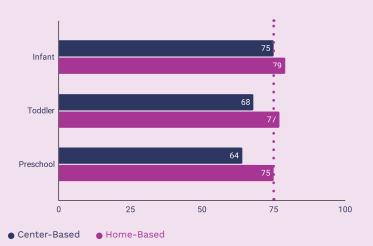
Find more information on child care prices by age and care setting in your state or county here.¹⁷

Provider Reimbursements

ACF recommends that Lead Agencies set provider reimbursement rates at the 75th percentile of the market rate.¹⁸ This is the price the lowest 75% of child care programs included in the market rate survey reported charging.

However, market rates often do not reflect the actual costs of providing high-quality care as programs must charge what families can afford in order to fill slots. Therefore, there is a significant gap between how much providers are reimbursed and how much it costs to provide care. Find answers to the most frequently asked questions about provider reimbursement rates here.

Provider Reimbursement Rates in Florida¹⁹ In percentiles of market rate



In Florida, most providers are reimbursed at or above the federally recommended reimbursement rate. These higher payment rates are critical in supporting providers to stay financially afloat and provide high-quality learning experiences. They also help low- and middle-income working families afford quality child care.

CCDBG in COVID-19 Relief

Throughout the pandemic, there was strong bipartisan support for federal relief funding to keep the child care sector afloat. CCDBG was the primary mechanism for providing this relief to child care providers and ensuring access to child care for thousands of working families through CARES, CRRSA, and ARPA. As of December 31, 2022:20

8,610 child care programs in Florida received American Rescue Plan Stabilization support, impacting up to 834,200 children.

Providers in 100% of Florida counties have received funds, including:



child care centers

Most common use of funds: Personnel costs and keeping programs staffed.



2,060 family child care homes



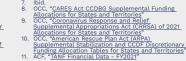
Most common use of funds: Rent and mortgage payments, typically their largest operating expense.

American Rescue Plan Act Spending Spotlight²¹

Funds have been used to support and stabilize the workforce. Providers could opt into the Workforce Initiative to receive a 10% supplemental bonus calculated on the base subgrant amount. By electing this, providers agreed to spend at least 25% of the total subgrant amount on employees above and beyond regular payroll and benefits at the time of application.

Federal pandemic relief funding, which buttressed an already struggling child care market, expires in September 2024. As this temporary funding expires, Congress must come together to strengthen and invest in our federal early learning and care programs so families can access the reliable, high-quality, affordable child care they depend on.







17. United States Women's Bureau, "National Database of

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- United states women's sureau, <u>Herenters</u> Ohid<u>care</u> Prices[®] Market rate surveys (MRS), which must be completed every three years, examine the fees that child care providers charge for services in the priced market. Programs Through Cost Modeling[®] ACF, <u>Child Care Stabilization Funding State Fact Sheet</u> Modeling" tion Funding State Fact Sheets"